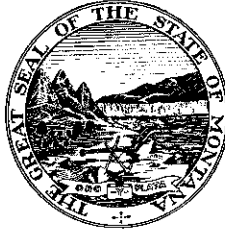


PUBLIC SERVICE COMMISSION STATE OF MONTANA

Travis Kavulla, Chairman
Gail Gutsche, Vice Chair
Bill Gallagher, Commissioner
Brad Molnar, Commissioner
John Vincent, Commissioner



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April 21, 2011

Dear Intrastate Motor Carrier,

Senate Bill 140 was enacted into law on April 18, 2011. Senate Bill 140 defines "charter service and exempts certain motor carriers from regulation by the Commission, specifically, motor carriers that have obtained a USDOT number (49 CFR 390.19) and transports passengers in charter service using a vehicle that is designed to carry more than 26 passengers. The bill will also exempt from Commission regulation the transportation of a group of employees to or from a worksite by a motor carrier under contract with the employer for a period of time of at least one year. The following is the definition of "charter service" in the bill:

"Charter Service" means a service used for the transportation of passengers by a motor carrier with rates not subject to approval by the commission if:

- (a) the transportation of passengers is based on a single contract;
- (b) the contract is entered into in advance of the transportation and does not result from a spontaneous, curbside agreement;
- (c) the contract includes a single fixed charge and fares are not assessed per passenger;
- (d) the passenger or group of passengers acquires exclusive use of the motor vehicle through the contract; and
- (e) when, applied to a group of passengers being transported, the group of passengers travels together to a specified destination.

****Important Note: Action Required by October 18, 2011****

Senate Bill 140 contains a very important provision that requires the Commission to issue a certificate of public convenience and necessity that authorizes charter service to motor carriers currently offering this type of service. The motor carrier must submit documentation to the Commission that demonstrates that during the 1-year period prior to January 1, 2011, the motor carrier:

- provided charter service;
- transported passengers with a motor vehicle designed to carry more than 10 passengers but less than 27; and,
- had a USDOT number.

The written documentation or business records must be submitted to the Commission by **October 18, 2011**. Documentation received by the Commission after October 18, 2011 will not be accepted and cannot be used to secure a certificate of public convenience and necessity. After July 1, 2012, a motor carrier subject to regulation by the Commission may not transport passengers in charter service using a vehicle designed to carry less than 27 passengers without a certificate of public convenience and necessity.

What this means to you.

If you currently hold a certificate of public convenience and necessity but you also provided charter service using a vehicle designed to carry more than 10 passengers but less than 27 passengers and had a USDOT number during the 1-year period prior to January 1, 2011 you may be eligible for an expanded authority and you must submit a request and written documentation or business records to the Commission by **October 18, 2011**.

If you currently do not have a certificate of public convenience and necessity and you meet the eligibility requirements for obtaining a certificate of public convenience and necessity under the requirements of Senate Bill 140, you must submit a request and written documentation to the Commission to receive a certificate of public convenience and necessity by **October 18, 2011**.

If you do not meet the eligibility requirements for receiving either a certificate of public convenience and necessity or an expanded certificate of public convenience and necessity as authorized by Senate Bill 140, you may apply through the Commission's normal application process to receive either a certificate of public convenience or an expanded certificate of public convenience and necessity.

Written documentation or business records.

The applicant must specifically request the authority being sought and provide supporting documentation to demonstrate the eligibility of the motor carrier for the certificate of public convenience and necessity or expanded certificate of public convenience and necessity. Written documentation or business records at a minimum must clearly indicate the following:

- verification the motor carrier had a USDOT number during the time the transportation took place in the 1-year period prior to January 1, 2011;
- type of service provided;
- the area where the service was provided including the origin and terminus;
- description of the vehicle including the year, make, model and rated seating capacity;
- the dates transportation services were provided (must be during the 1-year period prior to January 1, 2011) ;
- route; and,
- whether the trip was one-way or a round trip.

The documentation must include a signed and notarized statement (see enclosed) that verifies the veracity of the documentation and that its content is true. The Commission may request additional written documentation upon which to base its decision. The additional information

must be received by the **October 18, 2011** deadline in order to be considered. The Commission may deny a request for a certificate of public convenience and necessity or an expanded certificate of public convenience and necessity if the additional written documentation is not received by the deadline.

If you have any questions, please call me at (406) 444-6186 or Nickie Eck at (406) 444-6198.

Sincerely,

A handwritten signature in black ink, reading "Eric Dahlgren". The signature is written in a cursive, flowing style.

Eric Dahlgren
Chief
Engineering and Transportation Bureau

Verification of Documentation

STATE OF MONTANA,) ss.
County of _____)

_____, being first duly sworn, deposes and says that he is the applicant named above; that the applicant has read the submitted documentation and knows the contents thereof; that the same is true of his own knowledge, except as to matters which are therein stated on information or belief, and as to those matters, the applicant believes it to be true.

Date _____, 20 _____
(Signature of Applicant)

Subscribed and sworn to before me this _____ day of _____, 20

(S E A L)

Notary Public for the State of _____

Residing at _____

My Commission expires _____